

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the
Commission's Own Motion into Monitoring
Performance of Operations Support Systems

Rulemaking 97-10-016
(Filed October 9, 1997)

Order Instituting Investigation on the
Commission's On Motion into Monitoring
Performance of Operations Support Systems.

Investigation 97-10-017
(Filed October 9, 1997)

**ASSIGNED COMMISSIONER'S RULING
MOVING MODIFICATION OF DECISION 01-05-087
TO CONVERT xDSL OSS PERFORMANCE MEASURE
STANDARDS FOR THE PERFORMANCE INCENTIVE PLAN**

Background

On May 31, 2002, Pacific Bell Telephone Company (Pacific) filed an advice letter seeking Commission approval of an amendment to its interconnection agreement with AT&T Communications of California (AT&T). The amendment would convert currently non-working Digital Subscriber Line (*2-wire digital loop - xDSL capable, "xDSL loop"*) sub-measure standards to workable standards, and represents an agreement between Pacific and AT&T on converting these sub-measures. The amendment would enable these *xDSL loop* Operation and Support System (OSS) services to be monitored and enforced in the

Commission's Performance Incentives Plan (PIP).¹ Since the filing of the advice letter, negotiations have commenced for the annual review of the performance measures. Parties have been negotiating new *xDSL loop* standards that would apply to all competitive local exchange carriers (CLECs).²

Discussion

I am moving this decision for consideration by the Commission for several reasons. First, changing these standards to workable standards is important to the Commission's monitoring and enforcement of good OSS performance, and thus important to local exchange competition in California. Second, I wish to expedite implementation of the new workable standards. Pursuant to earlier decisions, we require parties to seek changes to the elements of the PIP by filing motions to amend the JPSA or the subsequent decisions that established the PIP.³ We do not want proposed changes to the provisions in these prior decisions submitted via the advice letter process. However, since these changes are in the public interest, I offer this motion with the concurrent draft decision to make the changes with minimal delay. Third, I wish to implement these workable

¹ The Commission's PIP measures OSS performance, assesses those results, and requires Pacific to disburse billing credits to the CLECs and the ratepayers in the event of deficient performance to CLEC customers.

² To begin settlement discussions, SBC Communications sent an e-mail notice to all parties pursuant to Rule 51.1 of the Commission's Rules of Practice and Procedures on June 20, 2002.

³ See D.02-06-006, *Modification Clarifying Implementation Details of the Performance Incentive Plan for Pacific Bell Company*, adopted June 6, 2002; and D.02-06-046, *Opinion Modifying Decision 01-05-087 to Update Performance Measures for the Performance Incentives Plan for Pacific Bell Telephone Company*, adopted June 27, 2002.

standards for all CLECs. I understand that the CLECs active in the recent negotiations have agreed to the changes proposed in the draft decision.

In 1999, the Commission adopted the first set of OSS performance measures and standards by approving a joint partial settlement agreement (“*JPSA*”) between the parties to this proceeding.⁴ The Commission established these performance measures to monitor and enforce incumbent local exchange carrier (ILEC) OSS performance to CLEC customers. Good OSS performance is essential to establishing local exchange competition. A parity measure compares the OSS performance that Pacific provides its own customers with the performance it provides CLEC customers. If performance to CLEC customers is worse than Pacific’s performance to its customers, it could be difficult for the CLECs to stay competitive.

However, in 1999, the parties established a standard for the *xDSL loop* service-type envisioning a retail offering by Pacific that never materialized. Consequently, OSS performance for *xDSL loop* OSS services has not been evaluated in the PIP monitoring and enforcement mechanisms.

The proposed decision will convert non-working parity standards for these *xDSL loop* performance sub-measures used in the PIP. To make these standards workable, I propose to adopt the standards that the parties have developed in their negotiations. The parties informally agreed to convert these standards either to absolute “benchmarks” or to different parity comparisons.

⁴ The Joint Partial Settlement Agreement regarding Performance Measurements (“*JPSA*”), was originally approved by the Commission on August 5, 1999 in D.99-08-020, and later modified on May 24, 2001 in D.01-05-087.

Parity standards compare an ILEC's OSS performance on behalf of CLEC customers to the ILEC's performance for its own customers. In the case of the sub-measures at issue here, Pacific does not offer these same DSL services to its own customers, and as a consequence, without the comparison the current parity standards do not work as intended. Either by establishing a benchmark or by selecting a different retail analog, comparisons will be possible. As described in the draft decision, I propose to convert to benchmarks the parity sub-measures for *2-wire digital loop - xDSL capable* ("*xDSL loop*") service group types in Performance Measures 5, 7, 8, 11, 12, 13, 14, 16, and 19, and establish a workable retail analog for this service type for Performance Measures 20, 21, and 23.

I appreciate the effort and cooperation that Pacific, AT&T Communications of California, Inc., WorldCom, Inc., XO California, Inc., and the other CLECs put forth to make unworkable sub-measure standards workable. The changes should be an unambiguous improvement to the *JPSA* and the PIP in that they will enable the inclusion of this DSL service in the PIP's monitoring and enforcement mechanisms.

Accordingly **IT IS RULED** that:

1. The draft "Opinion Modifying Decision 01-05-087 To Convert xDSL OSS Performance Measure Standards For The Performance Incentive Plan For Pacific Bell Telephone Company," mailed concurrent to this ruling, is hereby moved before the Commission for consideration at its August 22, 2002 meeting.
2. Parties to the proceeding may file comments on the draft decision as provided in Article 19, attached, of the Commission's "Rules of Practice and Procedure."

3. Pursuant to Rule 77.3 opening comments shall not exceed 15 pages.

Dated July 19, 2002, at San Francisco, California.

/s/ GEOFFREY F. BROWN

Geoffrey F. Brown
Assigned Commissioner

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Assigned Commissioner's Ruling Moving Modification of Decision 01-05-087 to Convert xDSL OSS Performance Measure Standards for the Performance Incentive Plan on all parties of record in this proceeding or their attorneys of record.

Dated July 19, 2002, at San Francisco, California.

/s/ JEANNIE CHANG
Jeannie Chang

N O T I C E

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